9fc. 316-32-1

6413 / P 32

Telegraphic Address.—"INDUSCOM."

GOVERNMENT OF MYSORE.

DEPARTMENT OF INDUSTRIES AND COMMERCE.

In reply please refer to
No D2-335/31-32
Encl. One.

OFFICE OF THE DIRECTOR,

Dated, Bangalore, 9th June 1933.

FROM

A. V. RAMANATHAN, Esq., B.A.,
~~N. RAMA RAO, Esq., B.A., B.L.,~~
Director of Industries and Commerce in Mysore,
Bangalore, (India.)

SECRETT
9 JUNE 1933
Home Secy Section

To

H. V. Ramaswamy, Esq., M.A., B.L.,
Secretary to the Government of Mysore,
General Department, Bangalore.

12/6

SIR,

Government Soap Factory - Stamped agreements to be obtained from Agents.

I have the honor to forward herewith for favour of your information extract from the report of the accounts of the Government Soap Factory for the half year ending 30th June 1932, the reply of the Industrial Chemist and my remarks thereon in the above matter.

As will be seen from the above extract, there is a difference of opinion between the Comptroller and the Industrial Chemist as regards the agreements to be obtained from the Soap Factory agents. The audit view is that agreements have to be obtained from all the Agents embodying the terms of the agency. The Industrial Chemist states that the agents are not in favour of executing stamped agreements, but want only the ordinary commercial procedure to be observed, of having the terms and conditions of the agreements written up on official letter heads.

I therefore request the instructionsof Government in the matter.

I have the honor to be,
Sir,
Your most obedient servant,

Director.

USC)3

(1) Agreement or memorandum of agreement for or relating to the sale of goods or merchandise exclusively is exempted from stamp duty under exemption to Article 4 Schedule I A. The Director will be informed accordingly if approved.
TSD 12/6/33

Serial No.

~~Forwarded to~~

(2) Agreements embodying the terms of an agency do not come under the exemption ~~to~~ to article 4 of schedule I A of the Stamp Regulation—

(3) It is not legally necessary to have a duly stamped agreement executed in the case of all agencies. The agency contract may be proved otherwise than by a formal document. But it is nonetheless desirable and ~~expedient~~ expedient that in all such cases, the final agreement is duly written up and executed by the parties concerned, on a stamp paper according to law—

(4) Forwarded with compliments to the Govt Advocate for favour of advice.

Mysore
for Govt of Mysore
14.6.33

No. Dep 71 of 32-33
dt 14-6-33

COUNSEL TO THE GOVT OF MYSORE
BANGALORE.

7. No. 1110/32-33
dt 14.6.33.

No. Dep 171/32-33
dt 19.6.33

GENERAL SECRETARIAT
19 JUNE 1933

Returned with compliments.

(5) A stamped agreement in writing is not indispensable as the terms of the agreement may be proved, otherwise than by an agreement in writing. In commercial circles agreements are often entered into by means of letters.

In order

NOTE—Contn. Sheet.

Ste File No. 316 of 1932. | General and Revenue Secretariat

(6) In order to know definitely the terms of the agreement one in writing would certainly be desirable, but the want of it cannot be considered to be a legal defect.

M. Magrath
Government Advocate.
19.6.1933

CSV.

(7) Dev Branch for further action

BMP
20/6/33

Subd

The opinion given by the Govt Advocate may be intimated both to the Dir of Ste and to the Comptroller.

A draft is put up for approval

KMR MP
21.6.33.

Mcs
21.6.33

Dev Br

Second Member.

CMS.
21.6.33.

JM
23/6

MCS 22/6

Sec'r
22 NE
No. 8.6.43

23/6 CMS.
23.6.33

Issue
MCS 23/6/33

Letter No. 9.6684 Dy 26-6-33 to the Dir. Ste

Stated that a Stamped agreement in writing need not be insisted upon, but the Terms & Conditions subject to which the Agents are appointed shd. be specified in writing & govt confirmed by the Agents.

2

B
KMR
30/6/33

Extract from the Audit Report of the Government Soap Factory for the half year ending 30-6-1932.

Audit Objections.	Replies of the Industrial Chemist.	Director's Remarks.
Agency Agreements: (a) In reply to para 9 of audit report for the half year ended 30-6-31 pointing out that the agency of Messrs. Ramjanally Ebrahim & Co., was being continued without obtaining a stamped agree-ment, the Industrial Chemist has stated "Noted for prompt action" and the Director has called for a report if a stamped agreement has yet been obtain-ed. No stamped agreement has yet been obtained until the date of the report. The Industrial Che-mist said that in this particular case he does not consider a formal agreement is necessary on account of the standing of the firm and that it does busi-ness on cash ~~basis~~ basis. (b) The agency of Messrs. B.L.Narang & Co., is also being continued without a fresh stamped agreement as the period for which the agreement was obtained expired on 8th August 1931.	Many of the agents somehow do not like to execute stamped agreements and they jib at it. In all commercial transactions (excepting huge business deals) the ordinary procedure of -- having the conditions of agreement -- written up on official letter heads -- suffice and are unforceable in a Court of Law. I shall consult the Govern-ment Advocate and submit a note for Director's orders. Many of the Agents feel that it is a reflection on the in-tegrity of their ownselves or their firm to demand such agreements.	The Government Advocate may be consulted as regards the proper agreements to be taken from the agents and his views reported to the undersigned for necessary action. Enclo Manager DIRECTOR OF INDUSTRIES & COMMERCE IN MYSORE.

Appendix F G—1]

SUBJECT.....

.....

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Section Ste.

File No. 316-32

Serial No. 2

Diary No. of letter replied to.....

No. D6684

To The Dir of Ste.

Sir,

General and Revenue Secretariat

( )

the *193* .

Date of issue 16/6/33

Signed by W. M. Hussain

With reference to your D2-335 of 31-32 dated 9th June 1933, ~~in regard to~~ the matter of ~~the~~ obtaining of Stamped Agreements from Agents of the Port Soap Factory. I am directed to state that ~~in the opinion of the Collector~~ ~~it is desirable that~~ a Stamped agreement in writing need not be executed ~~is not indispensable~~ with Agents; but the terms of the Agreement may be Contained in Letters ~~as the form of agreement may be~~ subject to which Agents are appointed should be ~~proved otherwise than by an agreement in writing. In Commercial~~ Specified in writing and the ~~Collector's agreements are often~~ Conformity of Agents' letters ~~entered into~~ by means of letters. ~~In order to know definitely the terms of the Agreement one in~~ Writing would certainly be

List of enclosures.....

Copied by.....

Examined by.....

desirable, but the want of it cannot be considered to be a legal defect.

I have etc

Mey 21. 6-88

for Secy to Govt

Dev. Dept.

MW.

Copy given above is forwarded with Compliments to the Comptroller to Govt for information

B. D.

Mey 21. 6 88

for Secy to Govt

Dev. Dept.

261

24th June 3.

P 6684

Ltr 876-32-2

The

The Director of Industries & Commerce in Mysore,

Bangalore.

With reference to your D.2-335 of 31-32 dated 9th June 1933 in the matter of obtaining of stamped agreements from Agents of the Government Soap Factory, I am directed to state that a stamped agreement in writing need not be insisted upon; but the terms and conditions subject to which the Agents are appointed should be specified in writing and got confirmed by the Agents.

I have the honour to be,
Sir,
Your most obedient servant,

Sd/- S. Abdul Wajid,

Secretary to Government,
Development Department.

bnl.3.

p.t.o

Memo No: [illegible] Bangalore, dated the 24th June 1933.

Copy of the foregoing is forwarded with compliments to the Comptroller to Government for information.

By Order,

For Secretary to Government,

Development Department.